

FILED

DEC 21 2018 AF

CLERK, U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS

Fill in this information to identify the case:

Debtor name Essential Financial Education Inc.  
United States Bankruptcy Court for the: Northern District of Texas  
(State)  
Case number (if known): 18-33108

Check if this is an  
amended filing

## Official Form 207

### Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy

12/15

The debtor must answer every question. If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known).

#### Part 1B Income

##### 1. Gross revenue from business

None

Identify the beginning and ending dates of the debtor's fiscal year, which may be a calendar year

From the beginning of the fiscal year to filing date:

From 01/01/2018 to Filing date  
MM / DD / YYYY

Sources of revenue  
Check all that apply

Gross revenue  
(before deductions and  
exclusions)

Operating a business

Other \_\_\_\_\_

\$ 3,260,011

For prior year:

From 01/01/2017 to 12/31/2017  
MM / DD / YYYY

Operating a business

Other \_\_\_\_\_

\$ 5,478,593

For the year before that:

From 01/01/2016 to 12/31/2016  
MM / DD / YYYY

Operating a business

Other \_\_\_\_\_

\$ 4,027,147

##### 2. Non-business revenue

Include revenue regardless of whether that revenue is taxable. *Non-business income* may include interest, dividends, money collected from lawsuits, and royalties. List each source and the gross revenue for each separately. Do not include revenue listed in line 1.

None

From the beginning of the fiscal year to filing date:

From MM / DD / YYYY to Filing date

Description of sources of revenue

Gross revenue from each source  
(before deductions and  
exclusions)

\$ \_\_\_\_\_

For prior year:

From MM / DD / YYYY to MM / DD / YYYY

\$ \_\_\_\_\_

For the year before that:

From MM / DD / YYYY to MM / DD / YYYY

\$ \_\_\_\_\_

Debtor

Essential Financial Education Inc.

Case number (if known) 18-33108

**Part 2: List Certain Transfers Made Before Filing for Bankruptcy**

**3. Certain payments or transfers to creditors within 90 days before filing this case**

List payments or transfers—including expense reimbursements—to any creditor, other than regular employee compensation, within 90 days before filing this case unless the aggregate value of all property transferred to that creditor is less than \$6,225. (This amount may be adjusted on 4/01/16 and every 3 years after that with respect to cases filed on or after the date of adjustment.)

None

Creditor's name and address	Dates	Total amount or value	Reasons for payment or transfer Check all that apply
3.1. OTA Franchise Corporation Creditor's name 17780 Fitch Street Irvine CA 92614	7/03/2018	\$ 859,216	<input type="checkbox"/> Secured debt <input type="checkbox"/> Unsecured loan repayments <input checked="" type="checkbox"/> Suppliers or vendors <input checked="" type="checkbox"/> Services <input checked="" type="checkbox"/> Other <u>Conditions Imposed on Consent To Transfer</u>
3.2. _____ Creditor's name Street _____	_____	\$ _____	<input type="checkbox"/> Secured debt <input type="checkbox"/> Unsecured loan repayments <input type="checkbox"/> Suppliers or vendors <input type="checkbox"/> Services <input type="checkbox"/> Other _____

**4. Payments or other transfers of property made within 1 year before filing this case that benefited any Insider**

List payments or transfers, including expense reimbursements, made within 1 year before filing this case on debts owed to an insider or guaranteed or cosigned by an insider unless the aggregate value of all property transferred to or for the benefit of the insider is less than \$6,225. (This amount may be adjusted on 4/01/16 and every 3 years after that with respect to cases filed on or after the date of adjustment.) Do not include any payments listed in line 3. *Insiders* include officers, directors, and anyone in control of a corporate debtor and their relatives; general partners of a partnership debtor and their relatives; affiliates of the debtor and insiders of such affiliates; and any managing agent of the debtor. 11 U.S.C. § 101(31).

None

Insider's name and address	Dates	Total amount or value	Reasons for payment or transfer
4.1. OTA Franchise Corporation Insider's name 17780 Fitch Street Irvine CA 92614	Various Prior Year	1,186,972	<u>Invoices</u>
Relationship to debtor Creditor In Control Of Debtor	_____	_____	_____

4.2.

Insider's name Street _____	_____	\$ _____	_____
City State ZIP Code	_____	_____	_____

Relationship to debtor

Debtor

Essential Financial Education Inc.

Case number (if known) 18-33108

Name

**5. Repossessions, foreclosures, and returns**

List all property of the debtor that was obtained by a creditor within 1 year before filing this case, including property repossessed by a creditor, sold at a foreclosure sale, transferred by a deed in lieu of foreclosure, or returned to the seller. Do not include property listed in line 6.

None

Creditor's name and address	Description of the property	Date	Value of property
5.1.			
Creditor's name			\$
Street			
City	State	ZIP Code	
5.2.			
Creditor's name			\$
Street			
City	State	ZIP Code	

**6. Setoffs**

List any creditor, including a bank or financial institution, that within 90 days before filing this case set off or otherwise took anything from an account of the debtor without permission or refused to make a payment at the debtor's direction from an account of the debtor because the debtor owed a debt.

None

Creditor's name and address	Description of the action creditor took	Date action was taken	Amount
Creditor's name			
Street			\$
City	State	ZIP Code	
Last 4 digits of account number: XXXX- _____			

**Part 3: Legal Actions or Assignments**

**7. Legal actions, administrative proceedings, court actions, executions, attachments, or governmental audits**

List the legal actions, proceedings, investigations, arbitrations, mediations, and audits by federal or state agencies in which the debtor was involved in any capacity—within 1 year before filing this case.

None

Case title	Nature of case	Court or agency's name and address	Status of case
7.1. Gary Flick Vs. Essential Financial Education Inc.	Settlement of Debt Owed	U.S District Court - Northern District of Texas Name 1100 Commerce Street Street Dallas TX 75242 City State ZIP Code	<input type="checkbox"/> Pending <input type="checkbox"/> On appeal <input checked="" type="checkbox"/> Concluded
Case number			
3:18 - cv -1734			
Case title		Court or agency's name and address	
7.2.		Name	<input type="checkbox"/> Pending <input type="checkbox"/> On appeal <input type="checkbox"/> Concluded
Case number		Street	
		City State ZIP Code	

Debtor Essential Financial Education Inc  
Name

Case number (if known) 18-33108

## 8. Assignments and receivership

List any property in the hands of an assignee for the benefit of creditors during the 120 days before filing this case and any property in the hands of a receiver, custodian, or other court-appointed officer within 1 year before filing this case.

None

<b>Custodian's name and address</b>	<b>Description of the property</b>	<b>Value</b>
<hr/> <b>Custodian's name</b> <hr/> <b>Street</b> <hr/>	<hr/> <b>Case title</b> <hr/>	<hr/> <b>\$</b> <hr/> <b>Court name and address</b> <hr/>
<b>City</b> <b>State</b> <b>ZIP Code</b>	<hr/> <b>Case number</b> <hr/>	<hr/> <b>Name</b> <hr/> <b>Street</b> <hr/>
	<hr/> <b>Date of order or assignment</b> <hr/>	<hr/> <b>City</b> <b>State</b> <b>ZIP Code</b>

## **Part 4: Certain Gifts and Charitable Contributions**

9. List all gifts or charitable contributions the debtor gave to a recipient within 2 years before filing this case unless the aggregate value of the gifts to that recipient is less than \$1,000

None

Recipient's name and address	Description of the gifts or contributions	Dates given	Value
9.1. Recipient's name			\$
Street			
City	State	ZIP Code	
Recipient's relationship to debtor			
9.2. Recipient's name			\$
Street			
City	State	ZIP Code	
Recipient's relationship to debtor			

## Part 5: Certain Losses

**10. All losses from fire, theft, or other casualty within 1 year before filing this case.**

None

Description of the property lost and how the loss occurred	Amount of payments received for the loss if you have received payments to cover the loss, for example, from insurance, government compensation, or tort liability, list the total received.	Date of loss Value of property lost
	List unpaid claims on Official Form 106A/B (Schedule A/B Assets – Real and Personal Property).	\$ _____

Debtor

Essential Financial Education Inc

Name

Case number (if known) 18-33108

**Part 6: Certain Payments or Transfers**

**11. Payments related to bankruptcy**

List any payments of money or other transfers of property made by the debtor or person acting on behalf of the debtor within 1 year before the filing of this case to another person or entity, including attorneys, that the debtor consulted about debt consolidation or restructuring, seeking bankruptcy relief, or filing a bankruptcy case.

None

Who was paid or who received the transfer?

If not money, describe any property transferred

Dates

Total amount or value

11.1.

Address

Street

City State ZIP Code

Email or website address

Who made the payment, if not debtor?

Who was paid or who received the transfer?

If not money, describe any property transferred

Dates

Total amount or value

11.2.

Address

Street

City State ZIP Code

Email or website address

Who made the payment, if not debtor?

**12. Self-settled trusts of which the debtor is a beneficiary**

List any payments or transfers of property made by the debtor or a person acting on behalf of the debtor within 10 years before the filing of this case to a self-settled trust or similar device.

Do not include transfers already listed on this statement.

None

Name of trust or device

Describe any property transferred

Dates transfers were made

Total amount or value

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Trustee

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Debtor

Essential Financial Education Inc

Name

Case number (if known) 18-33108

**13. Transfers not already listed on this statement**

List any transfers of money or other property—by sale, trade, or any other means—made by the debtor or a person acting on behalf of the debtor within 2 years before the filing of this case to another person, other than property transferred in the ordinary course of business or financial affairs. Include both outright transfers and transfers made as security. Do not include gifts or transfers previously listed on this statement.

None

Who received transfer?	Description of property transferred or payments received or debts paid in exchange	Date transfer was made	Total amount or value
13.1. _____  Address Street _____  City _____ State _____ ZIP Code _____	_____	_____	\$ _____
13.2. _____  Address Street _____  City _____ State _____ ZIP Code _____	_____	_____	\$ _____

**Part 7: Previous Locations**

**14. Previous addresses**

List all previous addresses used by the debtor within 3 years before filing this case and the dates the addresses were used.

Does not apply

Address	Dates of occupancy
14.1. 105 Decker Court #525 Street Irving TX 75062  City _____ State _____ ZIP Code _____	From 10/2015 To 06/2016
14.2. _____  Street _____  City _____ State _____ ZIP Code _____	From _____ To _____

Debtor

Essential Financial Education Inc

Name

Case number (if known)

18-33108

#### Part 8: Health Care Bankruptcies

##### 15. Health Care bankruptcies

Is the debtor primarily engaged in offering services and facilities for:

- diagnosing or treating injury, deformity, or disease, or
- providing any surgical, psychiatric, drug treatment, or obstetric care?

No. Go to Part 9.

Yes. Fill in the information below.

Facility name and address

Nature of the business operation, including type of services the debtor provides

If debtor provides meals and housing, number of patients in debtor's care

15.1.

Facility name

Street

City

State

ZIP Code

Location where patient records are maintained (if different from facility address). If electronic, identify any service provider.

How are records kept?

Check all that apply:

- Electronically
- Paper

Facility name and address

Nature of the business operation, including type of services the debtor provides

If debtor provides meals and housing, number of patients in debtor's care

15.2.

Facility name

Street

City

State

ZIP Code

Location where patient records are maintained (if different from facility address). If electronic, identify any service provider.

How are records kept?

Check all that apply:

- Electronically
- Paper

#### Part 9: Personally Identifiable Information

##### 16. Does the debtor collect and retain personally identifiable information of customers?

No.

Yes. State the nature of the information collected and retained.

Does the debtor have a privacy policy about that information?

- No
- Yes

##### 17. Within 6 years before filing this case, have any employees of the debtor been participants in any ERISA, 401(k), 403(b), or other pension or profit-sharing plan made available by the debtor as an employee benefit?

No. Go to Part 10.

Yes. Does the debtor serve as plan administrator?

No. Go to Part 10.

Yes. Fill in below:

Name of plan

Essential Financial Education Inc 401k

Employer identification number of the plan

EIN: \_\_\_\_\_

Has the plan been terminated?

No

Yes

Debtor

Essential Financial Education Inc

Case number (if known) 18-33108

Name

**Part 10: Certain Financial Accounts, Safe Deposit Boxes, and Storage Units**

**18. Closed financial accounts**

Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred?

Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.

None

Financial institution name and address	Last 4 digits of account number	Type of account	Date account was closed, sold, moved, or transferred	Last balance before closing or transfer
13.1. Wells Fargo Bank Name Preston Rd Street Frisco TX 75034	XXXX- 8161	<input checked="" type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money market <input type="checkbox"/> Brokerage <input type="checkbox"/> Other	May 2018	\$ -0-
18.2. _____ Name Street City State ZIP Code	XXXX- _____	<input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money market <input type="checkbox"/> Brokerage <input type="checkbox"/> Other	_____	\$ _____

**19. Safe deposit boxes**

List any safe deposit box or other depository for securities, cash, or other valuables the debtor now has or did have within 1 year before filing this case.

None

Depository institution name and address	Names of anyone with access to it	Description of the contents	Does debtor still have it?
Name	_____	_____	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
Street	_____	_____	
City State ZIP Code	Address _____	_____	

**20. Off-premises storage**

List any property kept in storage units or warehouses within 1 year before filing this case. Do not include facilities that are in a part of a building in which the debtor does business.

None

Facility name and address	Names of anyone with access to it	Description of the contents	Does debtor still have it?
Name	_____	_____	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
Street	_____	_____	
City State ZIP Code	Address _____	_____	

## Debian

Essential Financial Education Inc

Case number (if known)

18-33108

**Part 11: Property the Debtor Holds or Controls That the Debtor Does Not Own**

**21. Property held for another**

List any property that the debtor holds or controls that another entity owns. Include any property borrowed from, being stored for, or held in trust. Do not list leased or rented property.

None

Owner's name and address	Location of the property	Description of the property	Value
Name			\$ _____
Street			
City	State	ZIP Code	

## Part 12: Details About Environmental Information

For the purpose of Part 12, the following definitions apply:

- *Environmental law* means any statute or governmental regulation that concerns pollution, contamination, or hazardous material, regardless of the medium affected (air, land, water, or any other medium).
- *Site* means any location, facility, or property, including disposal sites, that the debtor now owns, operates, or utilizes or that the debtor formerly owned, operated, or utilized.
- *Hazardous material* means anything that an environmental law defines as hazardous or toxic, or describes as a pollutant, contaminant, or a similarly harmful substance.

**Report all notices, releases, and proceedings known, regardless of when they occurred.**

22. Has the debtor been a party in any judicial or administrative proceeding under any environmental law? Include settlements and orders.

No

Yes. Provide details below.

23. Has any governmental unit otherwise notified the debtor that the debtor may be liable or potentially liable under or in violation of an environmental law?

No

Yes. Provide details below.

Site name and address	Governmental unit name and address	Environmental law, if known	Date of notice
Name	Name		
Street	Street		
City	City	State	ZIP Code
		State	ZIP Code

Debtor Essential Financial Education Inc Case number (if known) 18-33108

24. Has the debtor notified any governmental unit of any release of hazardous material?

No  
 Yes. Provide details below.

Site name and address	Governmental unit name and address	Environmental law, if known	Date of notice
Name _____	Name _____	_____	_____
Street _____ _____	Street _____ _____	_____	_____
City _____ State _____ ZIP Code _____	City _____ State _____ ZIP Code _____	_____	_____

**Part 13: Details About the Debtor's Business or Connections to Any Business**

25. Other businesses in which the debtor has or has had an interest

List any business for which the debtor was an owner, partner, member, or otherwise a person in control within 6 years before filing this case. Include this information even if already listed in the Schedules.

None

Business name and address	Describe the nature of the business	Employer Identification number Do not include Social Security number or ITIN.
25.1. Name _____ Street _____ _____	_____	EIN: _____ Dates business existed _____
City _____ State _____ ZIP Code _____	From _____ To _____	
Business name and address	Describe the nature of the business	Employer Identification number Do not include Social Security number or ITIN.
25.2. Name _____ Street _____ _____	_____	EIN: _____ Dates business existed _____
City _____ State _____ ZIP Code _____	From _____ To _____	
Business name and address	Describe the nature of the business	Employer Identification number Do not include Social Security number or ITIN.
25.3. Name _____ Street _____ _____	_____	EIN: _____ Dates business existed _____
City _____ State _____ ZIP Code _____	From _____ To _____	

Debtor	Essential Financial Education Inc	Case number (if known)	18-33108
<b>26. Books, records, and financial statements</b>			
26a. List all accountants and bookkeepers who maintained the debtor's books and records within 2 years before filing this case.			
<input checked="" type="checkbox"/> None			
Name and address		Dates of service	
26a.1.	Name _____	From _____	To _____
Street _____			
City _____		State _____	ZIP Code _____
Name and address		Dates of service	
26a.2.	Name _____	From _____	To _____
Street _____			
City _____		State _____	ZIP Code _____
26b. List all firms or individuals who have audited, compiled, or reviewed debtor's books of account and records or prepared a financial statement within 2 years before filing this case.			
<input checked="" type="checkbox"/> None			
Name and address		Dates of service	
26b.1.	Name _____	From _____	To _____
Street _____			
City _____		State _____	ZIP Code _____
Name and address		Dates of service	
26b.2.	Name _____	From _____	To _____
Street _____			
City _____		State _____	ZIP Code _____
26c. List all firms or individuals who were in possession of the debtor's books of account and records when this case is filed.			
<input type="checkbox"/> None			
Name and address		If any books of account and records are unavailable, explain why	
26c.1.	Thomas J Caufield	_____ _____ _____	
Name	5025 Preservation Ave	_____ _____	
Street	Colleyville	TX	76034
City	State	ZIP Code	_____

Debtor

Essential Financial Education Inc

Case number (if known) 18-33108

Name

**Name and address**

26c.2.

Name

Street

City

State

ZIP Code

If any books of account and records are unavailable, explain why

26d. List all financial institutions, creditors, and other parties, including mercantile and trade agencies, to whom the debtor issued a financial statement within 2 years before filing this case.

None

**Name and address**

26d.1.

Name

Street

City

State

ZIP Code

**Name and address**

26d.2.

Name

Street

City

State

ZIP Code

**27. Inventories**

Have any inventories of the debtor's property been taken within 2 years before filing this case?

No

Yes. Give the details about the two most recent inventories.

Name of the person who supervised the taking of the inventory

Date of inventory

The dollar amount and basis (cost, market, or other basis) of each inventory

\$ \_\_\_\_\_

Name and address of the person who has possession of inventory records

27.1.

Name

Street

City

State

ZIP Code

Debtor

Essential Financial Education Inc

Case number (if known)

18-33108

Name of the person who supervised the taking of the inventory \_\_\_\_\_ Date of inventory \_\_\_\_\_ The dollar amount and basis (cost, market, or other basis) of each inventory \_\_\_\_\_ \$ \_\_\_\_\_

Name and address of the person who has possession of inventory records

27.2.

Name \_\_\_\_\_  
Street \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ ZIP Code \_\_\_\_\_

28. List the debtor's officers, directors, managing members, general partners, members in control, controlling shareholders, or other people in control of the debtor at the time of the filing of this case.

Name	Address	Position and nature of any interest	% of interest, if any
Thomas J Caufield	5025 Preservation Colleyville TX 76034	Officer	67%
Michael Ludlow	734 40th Street Downers Grove IL 60515	Secretary	8%

29. Within 1 year before the filing of this case, did the debtor have officers, directors, managing members, general partners, members in control of the debtor, or shareholders in control of the debtor who no longer hold these positions?

No

Yes. Identify below.

Name	Address	Position and nature of any interest	Period during which position or interest was held
			From _____ To _____
			From _____ To _____
			From _____ To _____
			From _____ To _____

30. Payments, distributions, or withdrawals credited or given to insiders

Within 1 year before filing this case, did the debtor provide an insider with value in any form, including salary, other compensation, draws, bonuses, loans, credits on loans, stock redemptions, and options exercised?

No

Yes. Identify below.

Name and address of recipient	Amount of money or description and value of property	Dates	Reason for providing the value
30.1. Thomas Caufield Name 5025 Preservation Ave Street Colleyville TX 76034	~257,606	Prior 12 mc	Salary
City _____ State _____ ZIP Code _____			
Relationship to debtor Officer			

Debtor

Essential Financial Education Inc

Case number (if known)

18-33108

Name

Name and address of recipient		Prior 12 mos	~140,000	Salary
30.2	Michael Ludlow			
Name	734 40th Street			
Street	Downers Grove IL 60515			
City	State	ZIP Code		
Relationship to debtor				
Officer				

31. Within 6 years before filing this case, has the debtor been a member of any consolidated group for tax purposes?

No

Yes. Identify below.

Name of the parent corporation

Employer Identification number of the parent corporation

EIN: \_\_\_\_\_

32. Within 6 years before filing this case, has the debtor as an employer been responsible for contributing to a pension fund?

No

Yes. Identify below.

Name of the pension fund

Employer Identification number of the pension fund

EIN: \_\_\_\_\_

#### Part 14: Signature and Declaration

**WARNING** – Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both.  
18 U.S.C. §§ 152, 1341, 1519, and 3571.

I have examined the information in this *Statement of Financial Affairs* and any attachments and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 12/21/2018  
MM / DD / YYYY

  
Signature of individual signing on behalf of the debtor

Printed name Thomas J Caufield

Position or relationship to debtor Officer

Are additional pages to *Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy* (Official Form 207) attached?

No

Yes